



PARENT / CHILD EXCLUSION

Qualifying transfers of ownership in real property from parents to children or from children to parents may be excluded from reassessment. However, claiming this exclusion may not always be to your benefit. You may wish to consult a real estate or income tax expert for advice.

- This exclusion applies to transfers occurring on or after November 6, 1986.
- “Children” includes natural, step, and in-law relationships, as defined by law. It also includes children who were legally adopted by the age of 18.
- Exclusions include transfers of a principal residence (meaning the transferor is claiming either a homeowners’ exemption or a disabled veterans’ exemption at the time of the transfer);

and

up to \$1,000,000 of other real property for each transferor/grantor.

- “Real property” does not include any interest in a legal entity.
- In order to qualify, a properly completed, state-approved claim form must be filed timely with the Assessor.
- Processing fees may apply.

This information is a synopsis of the parent/child exclusion and the grandparent/grandchild exclusion. You may call the Assessor’s Office for more specific information. *The information in this pamphlet reflects California assessment/taxation laws in effect January 1, 2004.*